Telecom Order CRTC 2011-256

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Ottawa, 15 April 2011

Videotron Ltd. – Modifications to third-party Internet access tariffs pursuant to Telecom Regulatory Policy 2010-632

File number: Tariff Notice 35

Introduction

- 1. The Commission received an application by Quebecor Media Inc. on behalf of its affiliate Videotron Ltd. (Videotron), dated 29 September 2010, proposing to modify Videotron's wholesale third-party Internet access (TPIA) tariff to reflect the determinations set out in Telecom Regulatory Policy 2010-632 regarding interconnection types¹ as well as restrictions on use of TPIA services.
- 2. Videotron proposed to revise its TPIA tariff to remove wording regarding restrictions on local area network (LAN) connection services and virtual private network (VPN) services. It also proposed to amend its TPIA tariff to allow for gigabit Ethernet (GigE) interconnection. Videotron submitted that its proposals are consistent with the determinations in Telecom Regulatory Policy 2010-632.
- 3. In addition, Videotron proposed to withdraw dedicated DS-3, ATM,² and OCS³ Packet over SONET⁴ interconnections from its list of available interconnection types because none of its TPIA customers use them.
- 4. The Commission approved Videotron's application on an interim basis in Telecom Order 2010-758.
- 5. The Commission received comments on the application from the Canadian Network Operators Consortium (CNOC). The public record of this proceeding, which closed on 8 November 2010, is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings" or by using the file number provided above.

Synchronous optical network



Physical interconnection between the competitors' networks and the cable carriers' networks, which are typically available at different speeds and protocols

² Asynchronous transfer mode

Optical carrier system

- 6. The Commission has identified the following issues to be addressed in this order:
 - I. Is Videotron's proposal for the provision of GigE interconnection appropriate?
 - II. Should Videotron be allowed to withdraw certain interconnections from its list of TPIA interconnection types?

I. Is Videotron's proposal for the provision of GigE interconnection appropriate?

- 7. CNOC objected to Videotron's proposal for the provision of GigE interconnection. Under this proposal, the speed of an Internet service provider's (ISP) circuit would initially be set lower than the full 1 gigabit per second (Gbps) capacity and would be progressively increased as required, in increments of at least 100 megabits per second (Mbps), to accommodate the ISP's traffic volume. CNOC submitted that because TPIA customers can experience significant traffic volume fluctuations exceeding 100 Mbps, the capping of a GigE interconnection circuit below its full capacity could cause traffic congestion problems for existing TPIA customers and their end-users.
- 8. CNOC requested that, if the Commission accepts Videotron's proposed GigE interconnection type arrangement, the company be required to clarify that it will not increase available capacity in increments smaller than 100 Mbps, it will not levy any additional charge for increasing capacity as required or requested, and it will implement any requested capacity increase within five business days of the date the request is made.
- 9. Videotron submitted that its proposed practice of progressively increasing interconnection speeds is already in place for TPIA customers using GigE interconnection on an off-tariff basis. The company also submitted that because interconnected TPIA customers share the bandwidth of a link between a point of interconnection (POI) router and Videotron's access network, the traffic generated by a given TPIA customer could degrade the service available to other TPIA customers. Videotron further submitted that the practice it has implemented ensures that no one TPIA customer is able to generate excessive traffic fluctuations that would degrade the interconnection service available to other TPIA customers.
- 10. In addition, Videotron submitted that it would neither increase available capacity in increments smaller than 100 Mbps nor levy additional charges for increasing capacity once a GigE interconnection circuit is in place. Videotron added that it can generally implement requested capacity increases within five business days of determining that an increase is required. The company submitted that, in cases of rapid traffic increases, a requirement to augment the capacity of its link between the TPIA POI router and the access network within five business days would be impractical.

- 11. The Commission notes that Videotron has implemented its GigE interconnection proposal with some ISPs and that there has been no indication that the practice is unsatisfactory. The Commission considers that the proposal balances the interests of all TPIA customers using the shared link between the POI router and Videotron's access network. Accordingly, the Commission considers that it would be appropriate to allow Videotron to implement its proposed GigE interconnection, subject to the condition noted below to meet requests for increased capacity.
- 12. In light of the above, the Commission approves Videotron's GigE interconnection proposal subject to the following condition: if the company requires more than five business days to meet a TPIA customer's request for increased capacity, Videotron is required to reach an agreement with the TPIA customer on an effective date for the capacity increases and to provide the TPIA customer with rationale for the additional time required.

II. Should Videotron be allowed to withdraw certain interconnections from its list of TPIA interconnection types?

DS-3 interconnection service

- 13. CNOC submitted that Videotron's proposal to withdraw DS-3 interconnection from its list of TPIA interconnection types should be denied because this type of interconnection is required to serve the needs of TPIA customers with small volumes of traffic that do not warrant Fast Ethernet 100 Base-FX or GigE interconnection arrangements.
- 14. Videotron submitted that none of its current TPIA customers have requested DS-3 interconnection. It also submitted that DS-3 is an outdated and inefficient technology for TPIA interconnection.
- 15. The Commission considers that there could be some demand for DS-3 interconnection from TPIA customers who generate smaller volumes of traffic. Accordingly, the Commission considers that it would be inappropriate to approve Videotron's request to withdraw DS-3 interconnection from its list of TPIA interconnection types.

ATM and OCS Packet over SONET interconnections

- 16. CNOC did not object to Videotron's request to withdraw ATM and OCS Packet over SONET interconnections from its list of TPIA interconnection types.
- 17. Videotron indicated that none of its TPIA customers have requested ATM and OCS Packet over SONET interconnection types.
- 18. Accordingly, the Commission considers it appropriate to approve Videotron's request in this regard.

Conclusion

19. In light of all the above and subject to the aforementioned conditions, the Commission **approves on a final basis** Videotron's requests to modify the wording in its TPIA tariff and to withdraw ATM and OCS Packet over SONET interconnections from its list of TPIA interconnection types, effective the date of this order. The Commission **denies** Videotron's request to withdraw its DS-3 interconnection type.

Secretary General

Related documents

- Telecom Order CRTC 2010-758, 13 October 2010
- Wholesale high-speed access services proceeding, Telecom Regulatory Policy CRTC 2010-632, 30 August 2010